



Consolidated Financial Results for the First Quarter Ended September 30, 2023 (Japanese GAAP)

October 31, 2023

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 Stock exchange listing: Tokyo Stock Exchange
 Code number: 6920
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 Date of securities report filing: November 10, 2023
 Dividend payable date: --
 Preparation of supplementary material for financial results: Yes
 Financial results briefing: Yes (for analysts and institutional investors)

(Figures less than a million yen are rounded down.)

1. Consolidated financial results for the three-month period ended September 30, 2023

(1) Consolidated operating results

(The percentage figures indicate changes from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended September 30, 2023	47,305	83.9	10,279	20.8	10,929	18.3	7,702	14.4
September 30, 2022	25,723	182.4	8,508	321.3	9,238	330.7	6,731	329.3

(Note) Comprehensive income: Three months ended September 30, 2023: 7,744 million yen [13.4%]
 Three months ended September 30, 2022: 6,827 million yen [528.8%]

	Net income per share	Net income per share, fully diluted
Three months ended September 30, 2023	Yen 85.40	Yen 85.33
September 30, 2022	74.64	74.58

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
September 30, 2023	255,256	105,343	41.3	1,167.86
June 30, 2023	271,574	109,142	40.2	1,209.99

(Reference) Equity: September 30, 2023: 105,322 million yen, June 30, 2023: 109,121 million yen

2. Dividends

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2023	--	52.00	--	128.00	180.00
Fiscal year ending June 30, 2024	--				
Fiscal year ending June 30, 2024 (Forecast)		73.00	--	110.00	183.00

(Note) Revision to forecast of dividends since the last announcement: No

3. Forecast of consolidated financial results for the year ending June 30, 2024

(The percentage figures indicate changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Annual	190,000	24.3	64,000	2.7	64,000	0.5	47,000	1.8	521.16

(Note) Revision to forecast of financial results since the last announcement: No

※ Notes

(1) Significant changes of subsidiaries during the period (changes of specified subsidiaries accompanying changes in the scope of consolidation): None

Number of subsidiaries added to consolidation: None (Company names: --),
Number of subsidiaries excluded from consolidation: None (Company names: --)

(2) Application of special accounting procedures to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, changes or restatement of accounting estimates

- ① Changes in accounting policy due to revision of accounting standards: None
- ② Changes in accounting policy other than ①: None
- ③ Changes in accounting estimates: None
- ④ Restatement due to revision: None

(4) Number of issued shares (common stock):

(Shares)

① Number of issued shares at the end of the period (including treasury shares)	September 30, 2023	94,286,400	June 30, 2023	94,286,400
② Number of treasury shares at the end of the period	September 30, 2023	4,102,599	June 30, 2023	4,102,594
③ Average number of shares during the period ended	September 30, 2023	90,183,802	September 30, 2022	90,180,704

※ This report of financial results is not subject to auditing by certified public accountants.

※ Statement about proper use of forecast of financial results and other special notes

(Cautions about forward-looking statements)

The forecast of financial results provided in this report is based on the information currently available to the company and based on certain assumptions it has judged as reasonable. Actual results may differ materially from the forecast due to various factors.

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1. Qualitative information concerning this quarterly report

(1) Information concerning operating results

During the first three months of this fiscal year, inflationary pressures intensified amid natural resource/energy price spikes and tightening monetary policies on a global scale, raising concerns about a global economic slowdown. Interest rate hikes in Europe and North America pushed the yen to a record low, and the economic outlook remains uncertain.

In the semiconductor industry, our primary market, the pace of capital expenditure remained sluggish in the entire supply chain due to a slowdown in consumer demand for smartphones and PCs. Memory and logic device makers remained cautious about making capital investments, although a certain level of investment was maintained for the expansion of production using leading-edge extreme ultraviolet (EUV) lithography as well as for the development of next-generation manufacturing processes. However, investment remained strong for some specific applications such as power semiconductors for realizing a carbon-neutral society and high bandwidth memory (HBM) for generative AI.

The semiconductor market is expected to grow in the mid to long term as demand increases for various applications, including generative AI and electric vehicles. In this background, and as a hedge against heightening geopolitical risks, there are plans to construct or enhance wafer fabs worldwide. While the efforts to further shrink device geometries are underway to achieve better performance and higher energy efficiency, the semiconductor equipment market is expected to achieve continued growth in the mid to long term as well.

Under these circumstances, our consolidated net sales for the three-month period ended September 30, 2023, totaled 47,305 million yen (up 83.9% year-on-year). By product segment, semiconductor-related products accounted for 41,781 million yen (up 94.8% year-on-year). Sales of other products accounted for 155 million yen (up 21.4% year-on-year) and services for 5,368 million yen (up 29.4% year-on-year).

As for consolidated incomes during this period, we recorded an operating income of 10,279 million yen (up 20.8% year-on-year), an ordinary income of 10,929 million yen (up 18.3% year-on-year), and a 7,702 million yen net income attributable to owners of parent (up 14.4% year-on-year).

(2) Information concerning financial position

① Financial position

Total assets at the end of the period amounted to 255,256 million yen, down 16,318 million yen from the end of the previous fiscal year. This was mainly due to a 17,623 million-yen decrease in accounts receivable-other, a 9,435 million-yen decrease in notes and accounts receivable-trade, and contract assets, and a 4,996 million-yen decrease in work in process despite the 12,398 million-yen increase in cash and deposits and the 3,089 million-yen increase in raw materials and supplies.

Liabilities at the end of the period amounted to 149,913 million yen, down 12,518 million yen from the end of the previous fiscal year. This was mainly due to a 15,427 million-yen decrease in liabilities related to paid supply transactions and a 12,817 million-yen decrease in income taxes payable despite the 10,000 million-yen increase in short-term borrowings and the 4,251 million-yen increase in advances received.

Total net assets, which consists of shareholders' equity, accumulated other comprehensive income, and subscription rights to shares, amounted to 105,343 million yen. The capital-to-asset ratio was 41.3%.

② Cash flows

Cash and cash equivalents at the end of the period amounted to 42,171 million yen, up 12,398 million yen from the end of the previous fiscal year. Following is the status of cash flows, and their contributing factors during the three-month period.

Net cash provided by operating activities amounted to 14,549 million yen (up 8.6% year-on-year). This was mainly due to the fact that the sum of cash receipts, including 10,929 million yen in income before income taxes, the decrease in notes and accounts receivable-trade of 9,525 million yen, the 3,315 million yen in advances received, and the decrease in inventories of 1,978 million yen exceeded the

sum of cash payments, such as the 14,512 million yen spent for income taxes paid.

Net cash used in investing activities amounted to 1,264 million yen (down 92.7% year-on-year). This mainly consists of the 821 million yen used in the purchase of property, plant and equipment and the 439 million yen used in the purchase of intangible assets.

Net cash used in financing activities amounted to 1,546 million yen (whereas 14,136 million yen was provided in the first quarter of the previous fiscal year). This is mainly because the sum of cash payments, such as the 11,543 million yen used for cash dividends, exceeded the sum of cash receipts, such as the 10,000 million yen increase in short-term borrowings.

(3) Information concerning forecast of consolidated financial results

We have not revised our forecast for the fiscal year ending June 2024, announced on August 7, 2023.

2. Consolidated financial statements and notes

(1) Consolidated balance sheet

	(In millions of yen)	
	Previous (As at June 30,2023)	Current (As at September 30,2023)
Assets		
Current assets		
Cash and deposits	29,773	42,171
Notes and accounts receivable-trade, and contract assets	21,611	12,176
Work in process	131,056	126,059
Raw materials and supplies	21,017	24,106
Accounts receivable - other	19,640	2,017
Other	8,029	10,255
Allowance for doubtful accounts	(38)	(13)
Total current assets	231,090	216,774
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	10,824	10,685
Machinery, equipment and vehicles, net	3,468	3,148
Tools, furniture and fixtures, net	834	951
Leased assets, net	37	54
Land	13,146	13,146
Construction in progress	113	69
Total property, plant and equipment	28,424	28,055
Intangible assets	6,164	5,678
Investments and other assets		
Investment securities	1,625	1,425
Retirement benefit assets	56	1
Deferred tax assets	3,892	3,002
Other	320	319
Total investments and other assets	5,895	4,748
Total noncurrent assets	40,484	38,482
Total assets	271,574	255,256

	(In millions of yen)	
	Previous (As at June 30, 2023)	Current (As at September 30, 2023)
Liabilities		
Current liabilities		
Accounts payable-trade	17,034	15,317
Short-term borrowings	5,000	15,000
Income taxes payable	15,867	3,049
Advances received	95,155	99,406
Deferred revenue	6,168	9,873
Provision for bonuses	237	1,513
Provision for directors' bonuses	906	173
Liabilities related to paid supply transactions	15,458	31
Other	5,609	4,453
Total current liabilities	161,438	148,819
Noncurrent liabilities		
Retirement benefit liability	455	450
Provision for share awards	267	357
Asset retirement obligations	224	223
Other	46	61
Total noncurrent liabilities	993	1,093
Total liabilities	162,432	149,913
Net assets		
Shareholders' equity		
Capital stock	931	931
Capital surplus	1,207	1,207
Retained earnings	105,551	101,709
Treasury stock	(977)	(977)
Total shareholders' equity	106,712	102,870
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,041	901
Foreign currency translation adjustment	1,369	1,551
Remeasurements of defined benefit plans	(1)	(1)
Total accumulated other comprehensive income	2,409	2,451
Subscription rights to shares	21	21
Total net assets	109,142	105,343
Total liabilities and net assets	271,574	255,256

(2) Consolidated statement of income and consolidated statement of comprehensive income
 (Consolidated statement of income)
 (First three months of the fiscal year)

	(In millions of yen)	
	Previous (July 1, 2022 thru September 30, 2022)	Current (July 1, 2023 thru September 30, 2023)
Net sales	25,723	47,305
Cost of sales	11,275	30,217
Gross profit	14,448	17,087
Selling, general and administrative expenses	5,940	6,807
Operating income	8,508	10,279
Non-operating income		
Interest income	1	10
Foreign exchange gains	731	642
Other	4	2
Total non-operating income	737	655
Non-operating expenses		
Interest expenses	7	4
Other	0	0
Total non-operating expenses	7	5
Ordinary income	9,238	10,929
Income before income taxes	9,238	10,929
Income taxes-current	2,845	2,272
Income taxes-deferred	(337)	955
Total income taxes	2,507	3,227
Net income	6,731	7,702
Net income attributable to owners of parent	6,731	7,702

(Consolidated statement of comprehensive income)
 (First three months of the fiscal year)

	(In millions of yen)	
	Previous (July 1, 2022 thru September 30, 2022)	Current (July 1, 2023 thru September 30, 2023)
Net income	6,731	7,702
Other comprehensive income		
Valuation difference on available-for-sale securities	68	(139)
Foreign currency translation adjustment	27	182
Remeasurements of defined benefit plans, net of tax	--	0
Total other comprehensive income	96	42
Comprehensive income	6,827	7,744
Comprehensive income attributable to owners of parent	6,827	7,744
Comprehensive income attributable to non-controlling interests	--	--

(3) Consolidated statement of cash flows

(In millions of yen)

	Previous (July 1, 2022 thru September 30, 2022)	Current (July 1, 2023 thru September 30, 2023)
Cash flows from operating activities		
Income before income taxes	9,238	10,929
Depreciation and amortization	698	1,078
Increase (decrease) in allowance for doubtful accounts	7	(25)
Increase (decrease) in provision for bonuses	1,071	1,266
Increase (decrease) in provision for directors' bonuses	(628)	(732)
Increase (decrease) in retirement benefit liability	(4)	(4)
Increase (decrease) in provision for share awards	49	87
Interest and dividend income	(1)	(10)
Interest expenses	7	4
Foreign exchange losses (gains)	(610)	(167)
Decrease (increase) on notes and accounts receivable-trade	(4,856)	9,525
Decrease (increase) in inventories	(15,789)	1,978
Increase (decrease) in accounts payable-trade	526	440
Increase (decrease) in advances received	27,111	3,315
Other, net	651	1,370
Sub-total	17,470	29,055
Interest and dividend income received	1	10
Interest paid	(7)	(4)
Income taxes paid	(4,074)	(14,512)
Net cash provided by (used in) operating activities	13,391	14,549
Cash flows from investing activities		
Purchase of property, plant and equipment	(17,346)	(821)
Purchase of intangible assets	(73)	(439)
Payments for guarantee deposits	(9)	(4)
Net cash provided by (used in) investing activities	(17,429)	(1,264)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	20,000	10,000
Cash dividends paid	(5,861)	(11,543)
Other, net	(1)	(2)
Net cash provided by (used in) financing activities	14,136	(1,546)
Effect of exchange rate change on cash and cash equivalents	1,384	659
Net increase (decrease) in cash and cash equivalents	11,482	12,398
Cash and cash equivalents at beginning of period	23,420	29,773
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in the consolidation	209	--
Cash and cash equivalents at end of period	35,113	42,171

(4) Notes to consolidated financial statements

(Note on going concern)

None

(Note on significant changes in the amount of shareholders' equity)

None

3. Supplementary information

(1) Production by category

Production by category for the first three months of the fiscal year is as follows.

(In millions of yen)			
(July 1, 2023 thru September 30, 2023)			
Category	Previous	Current	Year-on-year increase (%)
Finished goods			
Semiconductor-related products	74,407	46,364	(37.7)
Other products	657	952	44.7
Subtotal	75,065	47,316	(37.0)
Services	4,147	5,368	29.4
Total	79,212	52,685	(33.5)

(Note) Numbers shown above are based on sales prices.

(2) Orders and backlog by category

Orders and backlog by category for the first three months of the fiscal year are as follows.

(In millions of yen)						
(July 1, 2023 thru September 30, 2023)						
Category	Orders Previous	Orders Current	Year-on-year increase (%)	Backlog Previous	Backlog Current	Year-on-year increase (%)
Finished goods						
Semiconductor-related products	55,962	35,893	(35.9)	398,624	384,575	(3.5)
Other products	433	195	(54.8)	2,837	6,615	133.2
Subtotal	56,395	36,089	(36.0)	401,461	391,190	(2.6)
Services	6,821	4,677	(31.4)	5,234	5,205	(0.6)
Total	63,216	40,767	(35.5)	406,696	396,395	(2.5)

(Notes)

- Numbers shown above are based on sales prices.
- Orders reflect adjustment for cancellation and other changes.

(3) Sales by category

Sales by category for the first three months of the fiscal year are as follows.

(In millions of yen)			
(July 1, 2023 thru September 30, 2023)			
Category	Previous	Current	Year-on-year increase (%)
Finished goods			
Semiconductor-related products	21,448	41,781	94.8
Other products	127	155	21.4
Subtotal	21,576	41,936	94.4
Services	4,147	5,368	29.4
Total	25,723	47,305	83.9